To: Paul Melvin, Mediator Montana Department of Labor

From: George Holland, President Butte Police Protective Association

Paul:

This letter is to simplify our Last, Best, and Final offer that was submitted to you on August 17th, 2007. Since that time, we have resolved the base wage and insurance issues from that offer. The last item remaining for arbitration is the longevity issue. Our proposal with regard to longevity is as follows:

Beginning on July 1st, 2005, the Butte Police Protective Association (BPPA) proposes:

A \$5 increase in longevity (per month per year of service) for all members*

*Retroactive to July 1st, 2005

-Note- this longevity increase would be an increase of approximately \$36,780 in longevity compensation for the entire BPPA for the 05-06 year. This is in comparison to the contract awarded to The Federation of Butte-Silver Bow Public Employees Local No. 4372, MEA-MFT, AFL-CIO which was an increase of approximately \$44,152 for the 05-06 bargaining cycle.

As you know, the May 4, 2005 Letter of Understanding between Butte-Silver Bow and the BPPA states in part... "The Butte Police Protective Association will be granted the most favorable terms of any contract settlement reached during the FY 2005-2006 negotiation cycle with any other Union/Association in the following: base wage percentage increase, increase in the employer contribution to health insurance, and/or any increase in longevity compensation..."

Butte-Silver Bow has partially complied with The Letter of Understanding from May 4, 2005 in that Butte-Silver Bow has agreed to provide the same increase in base wage and insurance contribution that was negotiated with The Federation of Butte-Silver Bow Public Employees Local No. 4372, MEA-MFT, AFT, AFL-CIO. However, Butte-Silver Bow has not complied with the Letter of Understanding with regard to the increase in longevity compensation that was negotiated with The Federation of Butte-Silver Bow Public Employees Local No. 4372, MEA-MFT, AFT, AFL-CIO. Butte-Silver Bow has not offered any increase in longevity compensation to the BPPA. We believe this to be a clear violation of the Letter of Understanding and it is the reason we wish to proceed to arbitration on the longevity issue.

Sincerely George Holland